

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

GENESIS MARINE, LLC
Plaintiff

VERSUS

SGR ENERGY, INC.
Defendant

CIVIL ACTION NO.



COMPLAINT

Plaintiff, Genesis Marine, LLC (“Genesis”) sets forth its complaint for relief against SGR Energy, Inc. (“SGR”) and avers as follows:

1.

Genesis Marine, LLC is a Delaware limited liability company with its principal place of business in the Houston, Texas. Genesis is in the business of providing maritime transportation and related services.

2.

SGR is a corporation with its principal place of business located at 3707 Cypress Creek Parkway, Suite 500, Houston, Texas 77066, where it regularly conducts business such that it is subject to the jurisdiction of this Court.

3.

Venue is proper in this Court according to 28 U.S.C. § 1391 because SGR maintains an office in this jurisdiction, where it regularly conducts business.

4.

Subject matter jurisdiction is proper in this Court because this matter involves breaches of vessel charter agreement(s) to pay charter hire. So, jurisdiction is proper pursuant to 28 U.S.C. § 1333.

5.

Genesis and SGR maintained a business relationship whereby Genesis would charter its vessels to SGR at an agreed upon price according to the parties' Marine Transportation Services Agreement dated March 31, 2020 (the "Charter Party"), all of which are hereby incorporated herein by reference according to Federal Rule of Civil Procedure 10(c). The Charter Party was for a twelve-month period beginning April 1, 2020, at a daily rate of \$7,500 per day, plus fuel, and lube ancillary charges.

6.

According to the parties' Charter Party and Agreement, SGR agreed to pay Genesis charter for its hire of the one tow consisting of two (2) steel oil barges, the GM 2002 and GM 2003 and associated vessel PATRICIA ANNE and/or JAMES DAVISON and/or KAREN PAPE and/or other designated vessel.

7.

According to the parties' Charter Party and Agreement, SGR also agreed to pay Genesis for associated assist expenses, diesel fuel expenses, diesel fuel excise taxes, lube fees, fleeting expenses, tankerman expenses, and dockage expenses.

8.

In accordance with the Charter Party and Agreement, Genesis issued to SGR the following invoices, which are incorporated herein by reference according to Federal Rule of Civil Procedure 10(c):

- Invoice No. 290904680 dated June 10, 2020, in the amount of \$750;

- Invoice No. 290905275, dated June 30, 2020, in the amount of \$171,000.00;
- Invoice No. 290905588, dated July 8, 2020, in the amount of \$9,344.93;
- Invoice No. 290905817, dated August 12, 2020, in the amount of \$5,400.00;
- Invoice No. 290906041, dated July 29, 2020, in the amount of \$232,500;
- Invoice No. 290906077, dated August 12, 2020, in the amount of \$7,983.50;
- Invoice No. 290906464, dated September 10, 2020, in the amount of \$1,572.80;
- Invoice 290906491, dated September 10, 2020, in the amount of \$2,890.40;
- Invoice No. 29096518, dated August 26, 2020, in the amount of \$225,000.00;
- Invoice No. 290906553, dated September 10, 2020, in the amount of \$16,205.50;
- Invoice No. 290906814, dated September 14, 2020, in the amount of \$19,378.26;
- Invoice No. 290906897, dated October 13, 2020, in the amount of \$12,634.50;
- Invoice No. 290907152, dated October 1, 2020, in the amount of \$232,500.00;
- Invoice No. 290907170, dated October 15, 2020, in the amount of \$3,600.00;
- Invoice No. 290907239, dated October 15, 2020, in the amount of \$770.00;
- Invoice No. 290907620, dated November 15, 2020, in the amount of \$13,259.59;
- Invoice No. 290907672, dated November 15, 2020, in the amount of \$13,500.00;
- Invoice No. 290907717, dated October 30, 2020, in the amount of \$225,000.00;
- Invoice No. 290907718, dated October 30, 2020, in the amount of \$1,948.50;
- Invoice 290907808, dated November 5, 2020, in the amount of \$168,875.00;

- Invoice No. 290907828, dated November 5, 2020, in the amount of \$19,448.66;
- Invoice No. 290907928, dated December 14, 2020, in the amount of \$35.01;
- Invoice No. 290908161, dated December 14, 2020, in the amount of \$10,420.00;
- Invoice No. 290908213, dated December 2, 2020, in the amount of \$232,500;
- Invoice No. 290908214, dated December 2, 2020, in the amount of \$2,013.45;
- Invoice No. 2090908755, dated January 4, 2021, in the amount of \$12,780.96;
- Invoice No. 290908756, dated January 4, 2021, in the amount of \$232,500;
- Invoice No. 290908757, dated January 4, 2021, in the amount of \$2,013.45;
- Invoice No. 290908758, dated January 4, 2021, in the amount of \$7,200.00,
- Invoice No. 290908759, dated January 4, 2021, in the amount of \$1,489.42; and
- Invoice No. 290908846 dated January 4, 2021, in the amount of \$41,400,

for a total past balance due of \$1,926,013.93.

9.

According to the terms of the Charter and Agreement, SGR was obligated to remit to Genesis payment for all invoices within ten (10) days. SGR breached this obligation.

10.

In addition, Genesis continues to incur losses as a result of SGR's breach of the Charter Party and Agreement such that while Genesis is attempting to mitigate its damages, its damages continue.

11.

Despite amicable demand, SGR has ignored Genesis's efforts to collect the amount due by SGR, and SGR has not disputed that the aforementioned Invoices are due to Genesis.

Breach of Contract

12.

Genesis realleges the allegations contained in Paragraphs 1-11 of the Complaint.

13.

The aforementioned acts constitute an intentional breach of contract by SGR. Genesis contracted with SGR to provide vessel and related services to SGR to be paid to Genesis within ten (10) days. SGR failed to do such.

14.

Genesis complied with all of the terms and conditions of the Charter Party and Agreement such that all conditions precedent to Genesis's claims had been performed or occurred.

15.

Genesis is entitled to all actual and consequential damages as a result of SGR's breach. Additionally, Genesis is entitled to all contractual damages including attorney's fees according to the Texas Civil Practice and Remedies Code Chapter 38, pre-judgment and post-judgment interest as specified in the Texas Finance Code, and all other costs related to this suit, under all applicable laws and state and/or federal statutes.

Damages

16.

Genesis realleges the allegations of Paragraphs 1-11 of the Complaint.

17.

Genesis shows that its damages include, but are not necessarily limited to the following:

- A. Principal invoice amounts due – \$1,926,013.93;

- B. Pre-judgment and post-judgment legal interest at the rate set forth in the Texas Finance Code;
- C. Attorney's fees; and
- D. All other expenses of this action.

WHEREFORE, Genesis Marine, LLC prays that, after due proceedings are had, there be judgment entered in its favor and against SGR Energy, Inc. for damages sufficient to compensate it for SGR's breach of contract, and for all equitable relief according to the equitable doctrines available to Genesis and for all damages to which it is entitled under these equitable doctrines; that all appropriate costs and expenses for prosecuting this action be taxed as costs and awarded to Genesis at the conclusion of these proceedings, legal interest, and attorney's fees incurred.

Respectfully submitted,

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